SENATE BILL REPORT

SB 6562

As Reported By Senate Committee On: State & Local Government, February 3, 2000

Title: An act relating to growth management housing goals.

Brief Description: Making growth management housing goals reflect market needs.

Sponsors: Senators Patterson, Kline, McCaslin, Rasmussen, Oke, Kohl-Welles, Fraser, Jacobsen, Shin, Prentice, Goings, Swecker, Winsley and Roach.

Brief History:

Committee Activity: State & Local Government: 1/31/2000, 2/3/2000 [DPS-WM].

SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 6562 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means. Signed by Senators Patterson, Chair; Horn, Kline and McCaslin.

Staff: Diane Smith (786-7410)

Background: The Growth Management Act (GMA) was enacted in 1990 and 1991. GMA establishes requirements for all counties in the state and imposes additional requirements for the faster growing counties. One of the primary requirements for counties and cities that plan under GMA is the adoption of goals, including housing goals, to guide the development and adoption of comprehensive plans and development regulations. The housing goals encourage the availability of affordable housing to all economic segments of the population of the state, promote a variety of residential densities and housing types, and encourage the preservation of existing housing stock.

The GMA requires that a county planning under the act adopt, in consultation with its cities, a county wide planning policy and a review and evaluation program. The policy is required to address eight points. The program has two purposes and must cover four areas of subject matter. The evaluation portion of the program must satisfy a minimum of three requirements. If there is inconsistency between the plans and what actually occurred, then the county and cities must adopt measures to accomplish more consistency within the next five years. A report to the Legislature from the Department of Community, Trade, and Economic Development (CTED) is required by December 31, 2007. This report analyzes the effectiveness of the efforts to achieve consistency.

Summary of Substitute Bill: The county-wide planning policy must allocate projected residential and employment growth by jurisdiction, at appropriate densities, and establish performance measures for annual review of the jurisdiction's accommodation of the population and employment growth projections.

The review and evaluation program must include performance measures and a report to the county of information necessary to determine the land available for residential and nonresidential development.

The evaluation component of the program requires a joint report from the county and its cities comparing the planned outcome with the actual outcomes and indicating actions adopted to bring the two into mutual compatibility. The evaluation component also requires data concerning number, type and size of new residential and nonresidential development compared with the new jobs created and the amount of land that is not buildable.

If the evaluation reveals discrepancies, the county or city must reconcile them by implementing measures within one year of the evaluation, that will accommodate growth within the next five years. The measures adopted must at least demonstrate that there is a reasonable likelihood the market will achieve the densities desired. Examples are given of various actions designed to bring about consistency between planned and achieved growth.

Two reports are required of CTED concerning the effectiveness of the efforts to achieve consistency: by December 31, 2003 and 2008.

A county planning under GMA or a city within the county may divert up to 0.01 percent of the state retail sales and use taxes it collects, for the purpose of providing basic infrastructure services necessary to accommodate growth, affordable housing programs and program implementation under GMA.

The act is null and void if not funded by appropriation by June 30, 2000.

Substitute Bill Compared to Original Bill: The substitute bill has a null and void clause.

Appropriation: None.

Fiscal Note: Requested on January 25, 2000.

Effective Date: September 1, 2002.

Testimony For: This promotes housing growth in urban areas and tracks the progress toward meeting housing goals. It looks for a match between housing and jobs. It helps promote low-income housing.

Testimony Against: This is an expensive unfunded mandate. It requires reopening county-wide planning policies to include additional policies. We can't force people to buy homes in the dense areas.

Testified: Mike Ryherd, APA (con); Kathy Roseth, WA Low-Income Housing Congress (pro); Dave Williams, AWC (con); Jim Halstrom, Master Builders King-Sno Counties (pro); Bob Mack, Cities of Lakewood and Tacoma (concerns); Tommy Jones, Kitsap Co. Assn Realtors, WA Assn. of Realtors (pro); Everett Wilcock, 1000 Friends of Washington (pro); Shane Hope, CTED (neutral); Todd Woosley, East King County Chamber of Commerce Legislative Coalition (pro); Rich White, Bellevue Chamber (pro); Susan Crowley, City of Seattle, Mayor's Office (pro w/concerns).